

Today's *Wall Street Journal* [editorializes](#) about the proposed national energy tax legislation, which could be voted on as early as tomorrow:

The hit to GDP is the real threat in this bill. The whole point of cap and trade is to hike the price of electricity and gas so that Americans will use less. These higher prices will show up not just in electricity bills or at the gas station but in every manufactured good, from food to cars. Consumers will cut back on spending, which in turn will cut back on production, which results in fewer jobs created or higher unemployment. Some companies will instead move their operations overseas, with the same result.

When the Heritage Foundation did its analysis of Waxman-Markey, it broadly compared the economy with and without the carbon tax. Under this more comprehensive scenario, it found Waxman-Markey would cost the economy \$161 billion in 2020, which is \$1,870 for a family of four. As the bill's restrictions kick in, that number rises to \$6,800 for a family of four by 2035.

Note also that the CBO analysis is an average for the country as a whole. It doesn't take into account the fact that certain regions and populations will be more severely hit than others -- manufacturing states more than service states; coal producing states more than states that rely on hydro or natural gas. Low-income Americans, who devote more of their disposable income to energy, have more to lose than high-income families.

Congressman Pence [took to the floor](#) of the U.S. House this morning to sound a call to action to stop this national energy tax bill from passing through Congress: